

## REMARKS

Reconsideration of this application as amended is respectfully requested.

Claims 89, 95, 97-99, 105, 107, 108, 138, 140 and 151 have been amended. Support for the amendments is found in the specification, the drawings, and in the claims as originally filed. Applicant submits that the amendments do not add new matter.

### Rejections Under 35 U.S.C. § 103

Claims 89, 92-93, 95-99, 102-103, 105-108, 138-140, 144-146, 151 and 153-154 are rejected under 35 U.S.C. §103(a) as being unpatentable over Newsbyte (“Excite Calls Online Auctions” hereinafter” “Newsbyte”), and further in view of Officially taken notice.

Newsbyte refers to online auctions. In particular, Newsbyte states as follows:

If any bidding occurs in the final ten minutes, the auction is extended in ten-minute increments – the equivalent of the ‘going once, going twice’ period found in real auctions.

(Newsbyte, page 1)

Hence, in Newsbyte, every new bid occurred in the final ten minutes triggers an extension of the auction by 10 minutes. In the presently claimed invention, in contrast, not every new bid would trigger an extension of the auction. Instead, in the presently claimed invention, the auction is extended only if a correlation between at least one new bid and at least one other bid previously received for the lot satisfies a trigger criterion that is based on the rank of the new bid and the previous bid. Newsbyte does not teach or suggest the above features of the presently claimed invention.

The Examiner acknowledges that Newsbyte does not disclose the above features of the presently claimed invention. However, the Examiner takes Official notice of these features, stating that “extending the first closing time interval (i.e. extending the auction time) if a newly received bid is higher than the previous highest bid (the correlation between the new bid and the other bid) and that the correlation (new bid amount compared to the previous bid amount) satisfies requirement of a

specified minimum bid increment (a trigger condition on the correlation as specified in the claim) are both old and well known in the auctioning art" (Office Action mailed on February 6, 2006, page 5). Applicant respectfully disagrees.

Applicant is not aware of any electronic auctions existing at the time of the present invention (May 14, 1999) that provided for extending the closing time of the electronic auction if the correlation between a new bid and a previous bid satisfies a trigger criterion that is based on the rank of these bids. If the Examiner is aware of such prior art, the Examiner is respectfully requested to refer Applicant to this prior art.

Accordingly, the prior art cited by the Examiner does not teach or suggest the above features of the present invention that are included in the following language of claim 89:

...determining that at least one new bid for the first lot is received by a server associated with a sponsor of the auction during the first time interval, the at least one new bid being received close to the first closing time;

determining a correlation between the at least one new bid and at least one other bid previously received for the first lot; and

extending the first closing time using the second time interval if the correlation between the at least one new bid and the at least one other bid satisfies a trigger criterion that is based on a rank of the at least one new bid and the at least one other bid...

Similar language is also included in independent claims 99, 138 and 151. Accordingly, the present invention as claimed in claims 89, 99, 138 and 151, and their corresponding dependent claims, is patentable over the cited prior art. Applicant respectfully requests the withdrawal of the rejections under 35 U.S.C. § 103(a).

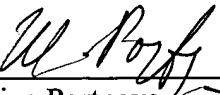
It is respectfully submitted that in view of the amendments and arguments set forth herein, the applicable rejections and objections have been overcome.

If there are any additional charges, please charge Deposit Account No. 02-2666 for any fee deficiency that may be due.

Respectfully submitted,

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Date: July 6, 2006

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